

VT SUPERIOR COURT  
WASHINGTON UNIT  
CIVIL DIVISION

STATE OF VERMONT  
SUPERIOR COURT  
WASHINGTON UNIT  
2013 SEP 18 P 2:50

IN RE: McKesson Medical-Surgical ) CIVIL DIVISION  
Minnesota Supply Inc. ) Docket No. 568-913Wncv

**ASSURANCE OF DISCONTINUANCE**

Vermont Attorney General William H. Sorrell (“the Attorney General”) and McKesson Medical-Surgical Minnesota Supply Inc., hereby agree to this Assurance of Discontinuance pursuant to 9 V.S.A. § 2459.

**BACKGROUND**

1. The Prescribed Products Disclosure Law, 18 V.S.A. § 4632, requires prescribed product manufacturers to file periodic reports with the Attorney General’s Office detailing certain information about the allowable expenditures and permitted gifts the manufacturer gives to Vermont health care providers and other recipients covered under the law.
2. Respondent, McKesson Medical-Surgical Minnesota Supply Inc., is a prescribed product manufacturer incorporated under the laws of Minnesota, with its principal place of business located at 8121 10<sup>th</sup> Avenue North, Golden Valley, MN 55437.
3. McKesson Medical-Surgical Minnesota Supply Inc. gave allowable expenditures and/or permitted gifts to Vermont health care providers and/or other recipients covered under the Prescribed Products Disclosure Law, 18 V.S.A. § 4632, during calendar year 2011 (July 1, 2011 through December 31, 2011).
4. McKesson Medical-Surgical Minnesota Supply Inc. failed to file an annual report with the Attorney General’s Office for calendar year 2011 (July 1, 2011 through December 31, 2011).

5. The above conduct constitutes a violation of the Prescribed Products Disclosure Law, 18 V.S.A. § 4632.

#### **INJUNCTIVE RELIEF**

6. McKesson Medical-Surgical Minnesota Supply Inc. shall comply with the Prescribed Product Gift Ban and Disclosure Law, 18 V.S.A. §§ 4631, 4632.

7. By May 15, 2013, McKesson Medical-Surgical Minnesota Supply Inc. shall make payment to the "State of Vermont" in the amount of \$250.00, and send to: Kate Whelley McCabe, Assistant Attorney General, Office of the Attorney General, 109 State Street, Montpelier, VT 05609, in full payment of the registration fees owed under 18 V.S.A. § 4632 for calendar year 2011 (July 1, 2011 through December 31, 2011).

#### **OTHER TERMS**

8. McKesson Medical-Surgical Minnesota Supply Inc. agrees that this Assurance of Discontinuance shall be binding on McKesson Medical-Surgical Minnesota Supply Inc. and its successors and assigns.

9. The Attorney General hereby releases and discharges any and all claims arising under the Prescribed Product Disclosure Law, 18 V.S.A. § 4632, that it may have against McKesson Medical-Surgical Minnesota Supply Inc. for the conduct described in the Background section for calendar year 2011 (July 1, 2011 through December 31, 2011). **The Attorney General does NOT release any claims arising under the Prescribed Product Gift Ban, 18 V.S.A. § 4631.**

10. The Superior Court of the State of Vermont, Washington Unit, shall have jurisdiction over this Assurance and the parties hereto for the purpose of enabling the Attorney General

to apply to this Court at any time for orders and directions as may be necessary or appropriate to enforce compliance with or to punish violations of this Assurance of Discontinuance.

#### **STIPULATED PENALTIES**

11. If the Superior Court of the State of Vermont, Washington Unit enters an order finding Respondent to be in violation of this Assurance of Discontinuance by having violated the Prescribed Product Disclosure Law, 18 V.S.A. § 4632, then the parties agree that penalties to be assessed by the Court for each act in violation of this Assurance of Discontinuance shall be \$10,000. For purposes of this Section, the term "each act" shall mean each violation of the Prescribed Products Gift Ban and Disclosure Law, 18 V.S.A. §§ 4631, 4632 that occurs after the date this Assurance of Discontinuance is executed.

#### **NOTICE**

12. Respondent may be located at:

Bill D. Blanchfill  
Vice President & Chief Compliance Officer  
McKesson Medical-Surgical Inc.  
10<sup>th</sup> Avenue North  
Golden Valley, MN 55427

13. Respondent shall notify the Attorney General of any change of business name or address within 20 business days.

**SIGNATURE**

In lieu of instituting an action or proceeding against McKesson Medical-Surgical Minnesota Supply Inc., the Office of the Attorney General, pursuant to 9 V.S.A. § 2459, accepts this Assurance of Discontinuance. By signing below, Respondent voluntarily agrees with and submits to the terms of this Assurance of Discontinuance.

DATED at Golden Valley, MN, this 13 day of May, 2013.

Paul D. Banigic

ACCEPTED on behalf of the Attorney General:

DATED at Montpelier, Vermont this 18<sup>th</sup> day of September, 2013.

STATE OF VERMONT

WILLIAM H. SORRELL  
ATTORNEY GENERAL

By: Kate Whelley McCabe  
Kate Whelley McCabe  
Assistant Attorney General  
Office of Attorney General  
109 State Street  
Montpelier, Vermont 05609  
kwhelleymccabe@atg.state.vt.us  
802.828.5621